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UNCLAS SECTION 01 OF 02 YEREVAN 000260

SIPDIS

SENSITIVE

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DEPARTMENT FOR EUR/CARC, EUR/PPD

E.O. 12958; N/A

TAGS: [PGOV](#) [PHUM](#) [KPAO](#) [AM](#)

SUBJECT: CONCERNS RAISED OVER POLITICAL ADVERTISING AS ELECTIONS  
APPROACH

REFS: A) 06 YEREVAN 971, B) 06 YEREVAN 1075

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(U) Sensitive but unclassified. Please protect accordingly.

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SUMMARY  
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1. (SBU) Candidate access to broadcast media and the rising cost of airing political advertisements have emerged as issues of concern as the pre-election period gets underway in Armenia. Opposition leaders complain that the rise in prices since the 2003 election is a government plot to limit their campaigning ability. They also say that the government influenced the decision of several regional stations not to air political advertisements during the election season. TV and radio station managers argue that the price for these advertisements remains below the market rate. One station manager who refused to air political ads said he did so to remain neutral. In general, pro-government candidates are given full advantage of incumbency's bully pulpit while TV news programs only rarely broadcast events of opposition candidates. We expect that once the "official" campaign begins on April 8, political ads of all parties -- including the opposition -- will flood the airwaves to such an extent that they will be largely ignored by voters. End Summary.

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STATIONS ANNOUNCE AD PRICES  
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2. (SBU) Opposition leaders complain that the cost of political spots is nearly double that of business advertisements. Armenian Public Television and Radio (Public TV) has allotted each party one free hour of television time, and two free hours of radio time for campaigning, which is guaranteed by law. The outlet says it will charge 80,000 dram (about USD 225) for each additional television minute. The Hayots Ashkhar newspaper reported that during the 2003 elections one minute of political advertising cost between USD 120 and USD 130, which is between 60,000 and 65,000 dram. (NOTE: The exchange rate was about 500 dram to the dollar in 2003. Now it fluctuates between 350 and 360 to the dollar, which the newspaper failed to note in its piece about the new prices. END NOTE.) Lragir.am reported that three private stations will charge 108,000 dram (about USD 300) per ad. Prices are higher at other private stations. Stations have not yet announced how they will allocate political advertising time slots. Public TV told us they will not make any decision about when to air advertisements until the Central Election Commission approves "certain regulations". ALM, H2, and Shant TV -- private television stations -- told us they have not yet decided when they will air political advertisements.

13. (SBU) Hrayr Karapetyan of the Armenian Revolutionary Federation (ARF/Dashnaktsutyun), which controls Yerkir Media, dismissed the opposition's complaints, saying pointedly that popular parties will receive campaign donations to support their advertising needs. Republican Party faction leader Galust Sahakian made similar comments in the press. Grigor Harutyunyan, leader of the opposition Justice Bloc, told the press that television stations (which are generally either government-run or sympathetic to the government) have ensured that only oligarchs with "dirty money" will be able to afford airtime. National Unity Party leader Artashes Geghamian said his party would not use paid advertisements. (Note: in the 2003 elections, Geghamian made extensive use of paid political ads. End note.)

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SOME STATIONS OPT NOT TO AIR POLITICAL ADS  
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14. (SBU) The opposition also is concerned that a number of regional stations decided not to air any political advertisements during election season. Eighteen of 29 regional stations have announced they will only air campaign news prior to the election. The opposition has predicted that the news presented instead will be biased in favor of the government. Stations have cited various reasons for their decisions. One regional station leader said he had not been aware of a deadline by which private stations had to set prices in order to be eligible to air advertisements. The director of another regional station told us she had chosen not to air political advertisements because it would be too difficult to create the equal circumstances required by law for campaign advertising. She said the station would still host candidates for debates and talk shows, since those appearances are not regulated in the same way as political advertising. Petros Ghazarian, a talk show host at Kentron TV, made no secret of the government's role in some stations' decisions, telling the press, "Business is still very

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dependent on the authorities, and many TV companies simply don't want to take risks and be as objective as possible." The director of Radio Hay, a Yerevan based radio station, also decided not to air political advertising for the sake of fairness. He informed us that the Republican Party had contacted him promising to purchase all political advertising time as soon as Radio Hay put the advertisements up for sale.

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COMMENT  
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15. (SBU) Though the actual rise in Qices seems to be a legitimate reflection of growth in the advertising market and the appreciation of the dram against the dollar, the fact that so many stations are refusing to run any advertisements at all is more worrisome. This summer, the opposition lodged credible complaints that television stations were refusing to air events they organized (reftels) due to government pressure - both implicit and explicit. It is very possible that either direct or imagined government pressure is behind these stations' decisions to voluntarily forfeit a large revenue stream.

GODFREY